PROVINCE OF SASKATCHEWAN

09-10

ANNUAL REPORT

INFORMATION TECHNOLOGY OFFICE

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This annual report is also available in electronic format from the ITO's website at **www.ito.gov.sk.ca**.

Letters of Transmittal

July 2010

The Honourable Dr. Gordon L. Barnhart
Lieutenant Governor of Saskatchewan

May It Please Your Honour:

The Government of Saskatchewan has continued to deliver on its promises to make Saskatchewan Strong and Steady. The 2009-10 Annual Report for the Information Technology Office (ITO) demonstrates the progress made towards those commitments that relate to this Ministry as of March 31, 2010.

The Government clearly defined its vision for a secure and prosperous Saskatchewan with the release of its first two budgets and again for the coming 2010-11 fiscal year. Ministries and agencies have responded to that vision and have developed their plans to align with Government's vision and goals. These plans served as a framework to inform strategic planning, workforce planning and budgeting.

I'm pleased to report that the ITO took important steps in 2009-10 to move the Government's vision and goals forward. In June 2009, the ITO was given a new mandate and undertook a new direction under the guidance of new leadership. The new ITO mandate will strengthen its ability to help the Government achieve the overall vision and aspirations it has set out for the province and its people.

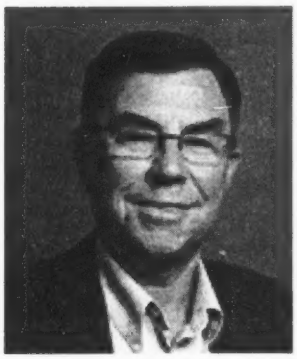
Under its new mandate, the ITO has shifted from a technology-centric service delivery model to a culture of customer service; and provided responsible and value-added delivery of ITO services to other Government ministries and agencies. It has also engaged private sector firms in the delivery of IT services and enabled the efficiency and effectiveness of Government through business solutions.

One of the key goals of the Government is to continue building on its record of transparency and accountability to the people of Saskatchewan. This report allows the public and legislators to clearly see the initiatives pursued in 2009-10, and the results achieved. The results achieved also provide a foundation for establishing priorities and influencing future Government activities. Annual reports are not only an important accountability document, but can help to inform future planning and resource allocation in the upcoming years.

With respect,

June Draude
Minister Responsible for Information Technology Office

Letters of Transmittal



July 2010

The Honourable June Draude
Minister Responsible for Information Technology Office

Dear Minister:

I have the honour of submitting the Annual Report of the Information Technology Office (ITO) for the fiscal year ended March 31, 2010.

As you are aware, the ITO underwent major restructuring in 2009-10. The ministry was given a new direction and new mandate that significantly impacted the way it operates and delivers IT services to its Government customers. That new direction continues to further the Government's goals to be accountable to the people of Saskatchewan and to improve the effectiveness and efficiency of the Ministries' operations.

As a result of the changes implemented this fiscal year the ITO has undertaken an ambitious agenda to improve responsiveness to its customers, provide new opportunities for private sector firms, and improve customer satisfaction. The initiatives undertaken and results achieved are directly linked to the Government's promises, vision and goals.

The ITO takes its responsibility for public accountability seriously and has made every effort to ensure the information and content of the 2009-10 Annual Report is as meaningful and accurate as possible. As Deputy Minister I am responsible for the overall management and financial administration of the organization. I am confident that the ITO operates in the kind of accountable and forthright manner expected by the people of Saskatchewan.

Respectfully submitted,
Gerald Fiske
Deputy Minister

Introduction

This annual report presents the Information Technology Office's (ITO) activities and results for the fiscal year ending March 31, 2010. It reports on public commitments made and other key accomplishments of the Ministry.

This report also demonstrates progress made on Government commitments as stated in the *Government Direction for 2009-10*, throne speeches, budgets, and other public statements. ITO responsibilities for government commitments contained in the Minister's Mandate letter (2007) have either been accomplished and reported on in previous years, or transferred to other government organizations.

The 2009-10 Annual Report sets the stage for future planning and budget processes by providing an opportunity to assess the accomplishments, results and lessons learned. It also identifies how to build on past successes for the benefit of Saskatchewan people.

The ITO underwent significant changes early in the reporting year. These changes had a profound impact on its operations. In June 2009, the ITO was given a new direction and mandate. A new leadership team was also assembled to implement the vision and goals outlined in its new mandate.

Readers of this report should note that as a result of the new mandate and direction undertaken early in the reporting year, the majority of the strategies, actions and performance measures outlined in the ITO Plan for 2009-10 were altered. Actions outlined in the Plan for 2009-10 are reported on when applicable, but this annual report focuses on the actions taken as a result of the new mandate and direction provided to the ITO.

The new mandate describes an aggressive agenda to improve the quality and calibre of the ITO's services and the way it does business. This mandate brings an enterprise focus to the delivery of information technology services and IT-based business solutions that enable the efficiency and effectiveness of Government programs and services.

This report highlights how the ITO is promoting a culture of customer service and providing responsive and value-added delivery of IT services to its customer ministries and agencies. It also shows how the ITO is engaging the expertise, best practices and innovations of private sector firms in the delivery of its services, and how the Office is ensuring the protection and privacy of citizen, business and Government information by implementing state-of-the-art IT security solutions and protocols.

Alignment with Government's Direction

The Information Technology Office's 2009-10 Annual Report aligns with the government's vision and three goals.

Our Government's Vision

A secure and prosperous Saskatchewan, leading the country in economic and population growth, while providing a high quality of life for all.

Government's Goals

- Sustain Economic Growth for the benefit of Saskatchewan people, ensuring the economy is ready for growth and positioning Saskatchewan to meet the challenges of economic and population growth.
- Secure Saskatchewan as a safe place to live and raise a family where people are confident in their future, ensuring the people of Saskatchewan benefit from the growing economy.
- Keep Government's Promises and fulfill the commitments of the election, while operating with integrity, transparency and accountability to the people of Saskatchewan.

Together, all ministries and agencies support the achievement of Government's three goals and work towards a secure and prosperous Saskatchewan. In 2009-10 the ITO advanced the government's agenda internally and externally by:

- Improving relations with our customer ministries by fostering a culture of customer service throughout the organization, including creation of a new Customer Services branch;
- Creating a new funding model that is more efficient and more transparent;
- Completing a review of our project management processes, with implementation underway of new processes that fit the scope of ministries' projects;
- Establishing a Business Analysis Centre of Excellence;
- Beginning the work of implementing an enterprise architecture for government under the direction of a new Chief Technology Officer;
- Rolling out components of a sourcing strategy that will improve ITO efficiencies while expanding opportunities for private sector firms; and
- Undertaking a customer satisfaction survey that identified strengths and weaknesses of our service delivery system that will play an important role in future service enhancements to both government customers and the public.

Ministry Overview

The mandate provided to the Information Technology Office (ITO) in November 2007 was to provide information technology services and lead information technology (IT) and service delivery transformation. The Office coordinates and implements an integrated approach to IT, information management and data security throughout all government ministries. The Office promotes Saskatchewan by streamlining and enhancing the government's websites to create a one-stop 'electronic embassy'.

With completion of the key initiative of consolidating all executive government IT services under the ITO umbrella, the ITO was provided with a renewed mandate early in the 2009-10 fiscal year. The ITO's new mandate statement is to bring an enterprise focus to the delivery of information technology services and IT-based business solutions that enable the efficiency and effectiveness of government programs. The Office promotes a culture of customer service, and provides responsive and value-added delivery of ITO services to partner ministries and agencies. The Office engages the expertise, best practices and innovation of private sector firms in the delivery of its services. The Office ensures the protection and privacy of citizen, business, and government information by implementing state-of-the-art IT security solutions.

This new mandate is aimed at improving government IT services in a way that will be even more beneficial to our ministry customers and the people of Saskatchewan. In the short time since this new mandate was adopted, the ITO has already achieved a number of successes and milestones.

As a central agency, the ITO manages government's corporate IT agenda and is responsible for the activities that help government meet its IT goals. In 2009-10, the Office better aligned itself with the government's overall vision and goals through the creation of a new funding model that is more efficient and more transparent. This new funding model will save money and enable ITO customers to better prioritize their IT spending on initiatives that deliver services to the public. The ITO also significantly improved its relations and communications with its 26 customer ministries and agencies, largely through creation of a new Customer Services branch. The ITO also completed a customer satisfaction survey that identified strengths and weaknesses of its service delivery system. This survey will play an important role in future service enhancements.

Government uses IT to improve internal business processes, improve the delivery of citizen programs and services, and uses the procurement of government IT goods and services to promote growth and innovation in the private IT sector. In the past fiscal year, the ITO began rolling out components of a sourcing strategy and laid the groundwork to establish a Business Analysis Centre of Excellence across executive government.

It is also important to ensure that IT service delivery is measured and that accountability practices, processes and IT standards are in place. Under its new vision and mandate, the ITO is taking an enterprise view of government IT services and created and staffed a Chief Technology Office branch to lead enterprise architecture development and business improvement efforts. A Chief Technology Officer (CTO) was hired to lead the branch and three existing staff from the former Business Improvement branch now report to the CTO. Further internal staff reorganizations will be undertaken in the coming fiscal year to ensure the branch can meet its goals.

As of March 31, 2010, the ITO had 307.5 full-time equivalent (FTE) positions based in Regina, Saskatoon, Prince Albert, Swift Current, Meadow Lake, Yorkton, North Battleford, and La Ronge. The budgeted number of FTEs for 2009-10 was 311. The variance is due to vacancy management. The ITO has the youngest overall staff in executive government.

The ITO's activities are grouped into four main areas, under the direction of its five main operational branches – Operations, Customer

Ministry Overview

Services, Corporate Services, Finance and Chief Technology Office:

- Shifting from a technology-centric delivery model to a culture of customer service;
- Providing responsive and value-added delivery of ITO services to our partner ministries;
- Engaging private sector firms in the delivery of ITO services; and
- Enabling the efficiency and effectiveness of Government through business solutions.

Culture of Customer Service

The ITO currently provides IT services to over 12,000 staff in 26 ministries and agencies (including ITO staff). All ITO government customers receive a wide array of services from the ITO, including IT infrastructure services (networks and servers), data security, help desk services, IT application development, project management expertise, and hardware and software procurement and management. The value of services provided to partners on a yearly basis is in excess of $65 million.

The value of ITO services in 2009-10 was enhanced by an organization-wide shift to a customer-centric model of service delivery. This new service model strengthens ministry and agency partnerships. Key to this new 'culture of service' is providing customers with choices in managing their computers and IT services and continuing to supply reliable, cost-effective, responsive assistance on demand.

Value-added Service Delivery

One of the crucial tasks in enabling world-class IT operations and service delivery is creating a framework in which to do it. The ITO, led by its Chief Technology Officer, is laying the groundwork to develop an enterprise architecture, or a roadmap of technical standards and policies to ensure IT investments align with business needs.

Protecting the government's IT assets and citizen information against Internet-based attacks and threats is also of paramount concern for both the Government of Saskatchewan and the ITO. Most government data storage and server infrastructure is currently consolidated into one secure data centre located in Regina. In the reporting year the ITO began seeking private suppliers to submit options for providing even more protection for government-held data, including disaster recovery provisions.

The ITO also operates and maintains the Government of Saskatchewan central web portal, web content management system (CMS), and provides web support to other executive government ministries and agencies.

Engaging Private Sector Innovation

In an effort to foster a Strong and Steady Saskatchewan, the ITO seeks the insight of leaders and professionals in Saskatchewan's IT sector through ongoing consultation. At the same time, the ITO is developing a comprehensive sourcing strategy that will lead to both improved government IT service delivery and industry growth. This strategy will make the process of leveraging private sector innovations and expertise considerably less complex. It will enable the ITO to live up to its promise of prompt, responsive service to its government customers, which will lead to more effective and efficient delivery of a wide array of government services to the public.

Efficiency and Effectiveness through Business Solutions

The ITO works with its government customers in assisting them to deliver government programs and services to Saskatchewan citizens and businesses using IT-based business solutions. It does this by providing project management, business analysis, application development, and other technical services to ministry and agency customers. A key initiative undertaken in the reporting year was the creation of a Business Analysis Centre of Excellence across executive government. This initiative ensures that government ministries and agencies have internal expertise available to them that allows them to assess and plan for successful implementation of IT-related, citizen-focused business solutions.

Progress in 2009-10

This section of the report presents the ITO's key results, activities, accomplishments and outcomes in 2009-10. Due to the fact that the ITO received a new mandate and direction early in the reporting year, most of the strategies and actions tabled in its Plan for 2009-10[1] were modified or invalidated. As well, all three performance measures outlined in the Plan for 2009-10 are no longer valid and will not be reported on in this report. A few of the actions committed to in the Plan for 2009-10 were deemed to further the direction and vision of the new mandate provided to the ITO, and will be reported on in the context of the new strategic direction.

As a result of this change, most of the information in this report has been organized around the most significant achievements that support government direction, along with progress made on the ITO's new direction and mandate. The ITO presented a new Plan with the budget for 2010-11 that is consistent with its renewed mandate. The ITO will report on the strategies, activities and performance measures of that plan in its Annual Report for 2010-11.

Wherever applicable, results reported in this section are linked to the promises and commitments made by the government to the people of Saskatchewan. For example, a number of public commitments were made in the government's throne speeches and budgets since 2007 that, while not specific to the ITO, are areas in which the Office has an important role to play.

During the reporting year the ITO took action to support a number of government goals, including ensuring the economy is ready for growth and that people benefit from the growing economy, fiscal prudence, providing better infrastructure, encouraging private innovation, and operating in a transparent manner that is accountable to the public.

The ITO supports the Government's goal to Sustain Economic Growth for the benefit of Saskatchewan people, ensuring the economy is ready for growth and positioning Saskatchewan to meet the challenges of economic and population growth.

Engage private sector firms in the delivery of ITO services

Results:

- Issued a Request for Qualifications (RFQ) seeking a private sector supplier to operate and maintain the ITO network infrastructure. Networks are the backbone on which all government data and Voice over Internet Protocol (voice communications) traffic is carried. The initiative will result in upgrading of rapidly aging and disparate technologies that are increasingly subject to failures and expensive to maintain.
- Issued a RFQ seeking two private sector suppliers to operate and maintain two data centres for the ITO. The initiative will result in upgrading of aging and disparate infrastructure and include development of a second data centre that would ensure disaster recovery capabilities. Ensuring disaster recovery capabilities are in place for government IT infrastructure is a recommendation that has been made by the Provincial Auditor and a requirement for government mission-critical applications. The initiative will proceed only if due diligence demonstrates that the proposals are cost-effective and fully meet the ITO's requirements.
- Organized a series of informal consultation meetings between the Minister responsible for the ITO and the province's key private sector leaders and companies to discuss ways the public and private sector can work together to the benefit of industry, government and Saskatchewan people. Issues raised by the private sector included intellectual property rights, government sourcing, labour shortages in the IT industry, and the need to attract more youth to the sector.
- Engaged and encouraged Saskatchewan youth to become involved and/or consider a career in the IT industry by:

[1] Information on the ITO Plan tabled in 2009-10 is available on the ITO website at www.ito.gov.sk.ca.

Progress in 2009-10

- participating in student career fairs around the province;
- sponsoring youth programs and activities, such as a $10,000 sponsorship to the Paul J. Hill School of Business team that participated in the annual Jeux du Commerce (JDC) Western student competition, and a $5,000 sponsorship to the Lieutenant Governor's Leadership Forum;
- participating on the Saskatchewan Institute of Applied Science and Technology (SIAST) Business Information Systems Program Advisory Committee; and
- supporting work experience programs by hiring 11 students through the University of Regina cooperative education program.

(These initiatives are in keeping with the commitment to retain young people made in the 2007 Speech from the Throne, and with the commitment to workforce training made in the 2008 Speech from the Throne.)

- Worked in partnership with SaskTel and a coalition of Saskatchewan First Nations organizations to secure federal funding to expand high-speed Internet and cellular phone services to 27 First Nations' communities in the province. To be announced in the new fiscal year, the initiative will enable businesses and individuals in those communities to take advantage of the business and social opportunities available as a result of the latest high-speed and cellular technologies.

(This initiative is in keeping with a commitment to engage First Nations and Métis people in the economic prosperity of Saskatchewan made in the 2009 Speech from the Throne, and the commitment to provide better infrastructure made in the 2008-09 budget.)

Enable the efficiency and effectiveness of Government through business solutions

Results:

- Established a new Chief Technology Office to direct the development of an enterprise architecture for all of executive government and to oversee business improvement efforts. An enterprise architecture provides a framework, including the architectural models and supporting processes to ensure that IT investments align to government-wide business needs. This standardized approach to technology and information management will enable the government to provide more efficient services and programs to citizens and business for less cost. It will also allow the government to take greater advantage of new developments in technology and private sector innovation to deliver programs, leading to economic growth and better service delivery.

(This initiative is in keeping with a commitment to debt reduction and fiscal prudence made in the 2008 and 2009 Speeches from the Throne, and with the commitment to economic growth made in every budget since 2007.)

- Managed executive government's enterprise IT governance model during the reporting year and provided business improvement services for client and enterprise-wide initiatives. This work ensures that IT resources are deployed efficiently and are supporting government's strategic goals. The governance model includes a Deputy Minister Committee that provides strategic direction, central oversight and makes recommendations on major IT initiatives. An Information Management Advisory Council (IMAC) ensures that ministry initiatives support government's overall goals and promote initiatives that address common ministry business issues. During the reporting year the IMAC approved two major initiatives submitted through the annual Call for IT Initiatives process, which received funding to proceed:
  - a redesign and enhancement of the Criminal Justice Information Management

Progress in 2009-10

System operated by the Ministry of Justice and Ministry of Corrections, Public Safety and Policing; and

- a One-Stop Business Registry being developed by Enterprise Saskatchewan.

(These initiatives are in keeping with the commitment to innovation made in the 2008 Speech from the Throne)

- Conducted a thorough review of the ITO's Project Management Processes. As a result, the Advanced Business Technology unit, consisting of 11 project managers and business analysts, was merged with the Customer Services Branch. As well, all project management procedures were better aligned to ensure they are appropriate and meeting the needs of customers and the projects being undertaken, resulting in project management costs for ITO customers being reduced by over 40 per cent.

(This initiative is in keeping with a commitment to debt reduction and fiscal prudence made in the 2008 and 2009 Speeches from the Throne.)

- Represented the province on the Canadian Council on Geomatics and built collaboration between other jurisdictions in matters of geomatics – surveying, mapping and remote sensing. This group has sponsored the development of a national spatial data infrastructure **www.geobase.ca** whereby Saskatchewan provides its maintained road network database (and other data) to create seamless national coverage. These map layers are used extensively by Canadians from all jurisdictions, as well as international users with an interest in Canada.
- Furthered the commitment to provide better infrastructure and economic growth by chairing the Saskatchewan Geospatial Imagery Collaborative and its now 30 organization partners (provincial, municipal, federal, Crown, First Nations, industry, universities and non-profits), to implement a multi-year plan to acquire provincial satellite imagery and aerial photography. Approximately 75 per cent of provincial imagery has been acquired, with full completion expected by 2011-12. A new on-line system has been developed for all partners and the public to access the imagery from a common repository at **www.flysask.ca**. The project will greatly assist companies working in the oil, mining and other sectors, helping to generate activity and economic growth in those sectors.

The ITO supports the Government's goal to Secure Saskatchewan as a safe place to live and raise a family where people are confident in their future, ensuring the people of Saskatchewan benefit from the growing economy.

Provide responsive and value-added delivery of ITO services to our partner ministries

Results:

- Provided quick and efficient help desk services to government front-line computer users, meeting or exceeding the vast majority of agreed-upon service levels. Overall the ITO responded to more than 112,000 client requests for service or assistance from the ITO Service Desk.
- Developed and began the process of validating a comprehensive Business Continuity Plan that will enable the ITO to respond in a proactive manner in the event of disaster or extended disruption of the IT services it supplies to executive government organizations. The plan is focused on the protection of people and preservation of property and the environment. An essential aspect of business operations, the plan will assist in restoring critical government IT services that impact the lives of people or the province's economy as quickly as possible following an incident. Testing of the plan's various components will be conducted periodically and the plan strengthened to ensure it takes into account the business needs of ITO's government ministry and agency customers.

Progress in 2009-10

- Conducted an extensive audit and inventory of all Government of Saskatchewan IT assets. The audit provided ITO customers with an accurate assessment of their IT infrastructure investments and allowed all user/owner information to be entered into ITO databases for future tracking.
- Contracted with a private firm to develop and launch an easy-to-use E-Learning portal that is available to more than 12,000 executive government employees. The portal offers on-line training for a variety of Microsoft software products that government staff must use in their everyday work and dealings with public clients. The new portal was publicized to all government staff through e-mail communications and posters, and made available through the ITO customer-focused intranet site. The training is a value-added part of the enterprise software licensing agreement between the ITO and Microsoft, and is provided at no additional cost to customer ministries and agencies.

Protect the security and privacy of data entrusted to Government's care

Results:

- Continued to maintain and operate an extensive system of security-related IT infrastructure to protect government systems from increasing world-wide attacks on computer systems. According to the Symantec Internet Security Threat Report, the number of malware (malicious software) attacks increased by 71 per cent in 2009. Symantec reports that 51 per cent of the viruses, trojans and malicious programs it has ever seen were logged in 2009. Despite this ever-increasing threat, for the fifth year in a row there was no significant downtime as the result of intrusions or attacks on the ITO network.
- Completed a comprehensive update to the Government of Saskatchewan Security Standards, providing a new control model that clearly outlines responsibilities for ensuring standards are followed. The standards document also provides customers with key performance indicators for their internal IT security measures, assists with external audits, and is a major component of the future evolution of the security program strategy.
- As part of the ITO Security Risk Management Strategy, approved 41 customer requests for exceptions to the security policies or standards. Requests are approved if customers have solid business requirements to justify exceptions. Also performed 25 security assessments related to project architecture and completed two external infrastructure vulnerability assessments, including a web application vulnerability assessment.
- Completed reorganization of the governance section of the disaster recovery plan for government systems. Involving mission-critical systems, server requirements and backup requirements, the work enhanced or strengthened protection of information assets, security processes, data classification processes, and disaster recovery planning.
- Developed new security reports related to virus and e-mail spam issues that are provided to customers, including firewall and intrusion detection system reports, as well as security assessment reports. The reports inform customers about potential risks to their computer systems and enable them to make any necessary changes required to mitigate risks.
- Developed and implemented an 'egress filtering' policy, which included a three-month network analysis project to aid in implementing egress filtering firewall rules. The policy prevents e-mail spam being sent from within the government computer network to external networks, which could potentially result in legitimate government e-mail traffic being 'blacklisted' or blocked from reaching its intended destination.
- Developed, implemented and communicated to all customer organizations security policies governing electronic on-line transactions for government, and security policies related to mobile electronic

equipment, such as laptops and BlackBerry® devices.

- Cooperated with the Provincial Auditor's Office in conducting a fourth annual audit of the ITO's data centre and security processes. The Auditor concluded that the ITO has adequate rules and procedures in place to safeguard public resources and made recommendations aimed at improving security procedures. The ITO will continue to work with the Auditor's Office to implement its recommendations on further strengthening ITO security procedures in the coming fiscal year, and will undertake initiatives highlighted elsewhere in this report to address concerns regarding disaster recovery capabilities.
- Operated and maintained state-of-the-art infrastructure to protect the ITO network from viruses and reduce the incidents of government staff receiving spam e-mails. Firewalls and other technical solutions are used, along with internal procedures that prevent the vast majority of 'bad' e-mails from penetrating the ITO network. During the reporting year, more than 173 million Internet-based e-mails were directed toward the network, with nearly 93 per cent rejected as viruses, spam or other attacks.

Measurement Results:

Service Requests

- The following chart outlines the volume and kinds of service requests the ITO Help Desk received from all its ministry and agency customers during the 2009-10 fiscal year. The total number of service requests declined by more than 15,000 from 2008-09, when 127,874 requests for various services were received. The decline can be mainly attributed to equipment modernization and upgrading, and user familiarity with ITO processes. The measurement demonstrates the ITO's efforts and ability to provide quick and efficient services to front-line government computer users.

Type of Request	*Number of Requests*
New hardware, software, e-mail accounts, network access, etc.	35,687
Troubleshooting (malfunctioning hardware, software, etc.)	67,075
Inquiries (how-to questions)	9,988
Total of all requests	**112,750**

[Source: ITO Internal Data]

Government E-mail Traffic

The following chart details the number of e-mails the ITO network received and processed on a daily basis from outside sources during 2009-10. Almost 93 per cent of e-mails received during the year were rejected as spam or contained viruses or other intentional 'attacks' on the network. Despite a volume of more than 173 million e-mails received during the fiscal year, the ITO experienced zero per cent of downtown as a result of Internet-based e-mail attacks. This measurement demonstrates the effectiveness of the IT security infrastructure the ITO has put in place to protect government computer systems and the information entrusted to government.

Daily (average) Internet-based E-mail Traffic on ITO Networks

Request	*Total*
Rejected (sent from known spam site, etc.)	94,352
Blocked (virus or spam)	345,904
Allowed	33,726
Daily Average Total	**473,982 ***

* In addition to Internet-based e-mail traffic, the ITO network handles approximately 275,000 e-mails a day that are sent by government employees, plus voice traffic on its Voice over Internet Protocol system.

[Source: ITO Internal Data]

Progress in 2009-10

The ITO supports the Government's goal to Keep Government's Promises and fulfill the commitments of the election, while operating with integrity, transparency and accountability to the people of Saskatchewan.

Shift from a technology-centric delivery model to a culture of customer service

Results:

- Created a new Customer Services Branch to oversee all aspects of service delivery to customer ministries and agencies. An Executive Director of Customer Services was hired to oversee the new branch and the work of eight senior staff reassigned from other areas of operation. The Customer Service Executives and Managers of the branch liaise with customers on a daily basis to ensure their needs are being met and to resolve any disputes that may arise. This function is particularly important in the areas of application development and project management that lead to the creation of business solutions that enable government organizations to provide programs and services to private businesses and the people of Saskatchewan.
- Developed a new funding model in consultation with ITO customer organizations that will be more transparent and accountable to customers. When implemented in the new fiscal year the ITO will no longer charge customers for core services such as application support or management work related to inventory, procurement, software licensing, asset disposal and Request for Proposal (RFP) development. The initiative will create administrative efficiencies and simplify the billing model.
- Developed a new invoicing system in conjunction with the ITO's new funding model that will be introduced in the new fiscal year. For example, the size of a typical monthly invoice will be reduced by more than 94 per cent, from more than 500 pages to fewer than 30 pages. Part of the efficiencies achieved were accomplished by 'bundling' certain services related to computer desktops so that customers are not charged individual prices for each desktop service they receive. The new system will be far more efficient, reducing workloads and the costs of producing and reconciling invoices for both the ITO and its customers.

(This initiative is in keeping with a commitment to debt reduction and fiscal prudence made in the 2008 and 2009 Speeches from the Throne.)

- Undertook a customer survey to assess the progress made towards implementing the vision and direction provided to the ITO in its new mandate. Interviews were conducted with senior executives, managers and in-scope staff of customer ministries and agencies to gauge their opinions and perceptions of the services provided by the ITO. The survey identified areas of business where the ITO was performing well and areas where improvement is required to ensure its customers' needs are being met. The survey will be conducted on an annual basis and play a key role in guiding future service enhancements. The target for 2010-11 is a 20 per cent overall improvement in customer satisfaction.
- Established a Business Analysis Centre of Excellence (BACE) across executive government to assist ministries and agencies in re-establishing this vital function within their own organizations where it is most needed and valuable. Business analysts within executive government had been transferred to the ITO during the IT consolidation process, starting in 2004. This left ministries and agencies vulnerable and without the proper capability to develop business requirements, business cases

and end-user testing for any IT solutions and projects they undertook. The ITO coordinated the effort to establish the BACE and transfer some business analysts from the ITO back to appropriate ministries and agencies. The ITO will continue to support the Centre in the future with resources, funding and training in business case development.

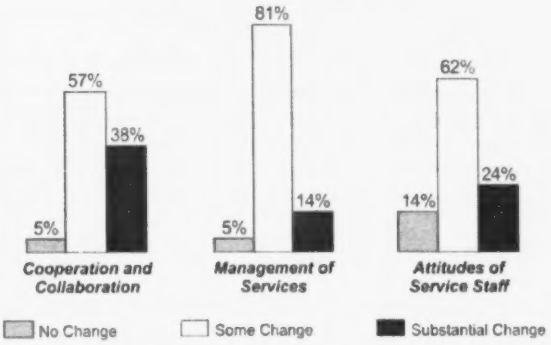
- Facilitated collaboration between government ministries and agencies on common geomatics initiatives by continuing to lead and Chair the multi-agency Geomatics Business and Technical Advisory Boards. The Business Advisory Board sponsored an Enterprise Geomatics Information System project to better position all the mapping data of government in a central repository for easier access and use by all who need it.
- Managed the government's overall web presence, including maintaining and operating the government's central web portal, making changes when required and working with the government's private sector web partner to ensure the reliability of the site. Part of the site management included coordinating the response to 3,695 public inquiries received through the central web portal for government information or services.

Measurement Results:

Customer Survey

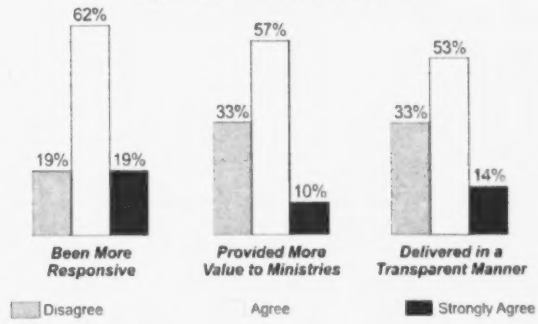
The following charts detail the results of a Customer Satisfaction Survey undertaken by the ITO in 2009-10. The survey was conducted to gauge customer perceptions and satisfaction with the various IT services provided by the ITO. This was the first survey of its kind conducted by the ITO and will be used as the baseline for comparing the results of future customer satisfaction surveys. The overall intent of the survey is to guide future service enhancements. This measurement demonstrates the ITO's success at fostering a culture of customer service throughout the organization.

Culture of Customer Service
Impact of New Service Model



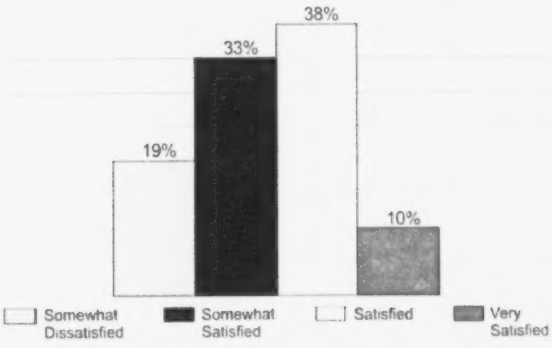
Source: ITO Internal Data

Responsive, Value-Added Service
Impact of New Service Model



Source: ITO Internal Data

Overall Customer Satisfaction



Source: ITO Internal Data

2009-10 Financial Overview

The ITO's 2009-10 expense budget was $7.091 million.

The recovery of amortization is treated as a statutory adjustment and reduced the ITO's actual appropriation. Total 2009-10 expenses were $11.833 million, which is $4.742 above the $7.091 million expense target. The significant variances are explained in the following pages, but the variance is primarily related to higher than expected costs for software licenses, uncollected (disputed) revenues, and Oracle Real Application Clusters (the ITO was not able to roll this out to ministries and was forced to absorb these costs),

The ITO recovered revenues of $9,059 related to prior year's expense refunds, $14,853 related to gain on other miscellaneous transactions, and $19,285 in casual revenues were recorded. Costs ($1,574,460.07) related to providing IT services to external government agencies (Saskatchewan Grain Car Corporation, Saskatchewan Municipal Board, Saskatchewan Housing Corporation, Saskatchewan Apprenticeship & Trade Certification Commission, Saskatchewan Legal Aid Commission, the Public Guardian & Trustee of Saskatchewan) were offset by an equivalent recovery from the external government agencies.

The ITO budget included 311 full-time equivalent (FTE) positions.

2009-10 Financial Overview

Expenditures

The following table outlines information on actual and budgeted expenditures by subvote and subprogram. Variance explanations are provided for all variances that are greater than $50,000.

	(in thousands of dollars)			
Program	**2008-09 Actual**	**2009-10 Estimates[1]**	**2009-10 Actual**	**2009-10 Variance**
Central Management and Services				
Executive Management	721	852	816	(36)
Central Services	813	1,013	1,047	34
Accommodation Services	423	208	210	2
Subvote Total	**1,957**	**2,073**	**2,073**	**0**
IT Coordination and Transformation Initiatives				
Information Technology Coordination	1,404	3,257	2,769	(488)[2]
Office of Geomatics Coordination	96	229	150	(79)[3]
Information Technology Transformation	1,308	311	988	677 [4]
Service Transformation	637	1,200	709	(491)[5]
Subvote Total	**3,445**	**4,997**	**4,616**	**(381)**
Major Capital Asset Acquisitions	**161**	**250**	**649**	**399 [6]**
Total Appropriation	**5,563**	**7,320**	**7,338**	**18**
Capital Acquisitions	160	250	649	399 [7]
Amortization	0	21	0	(21)
Total Expense	**5,403**	**7,091**	**6,689**	**(402)**

Explanations for major variances:

1. 2009-10 Estimates as tabled with the Provincial Budget.
2. The decreased costs are related to vacancy savings, lower consulting and miscellaneous savings. These savings are offset by increased costs in the Information Technology Transformation subprogram.
3. The decreased costs are related to vacancy savings, lower consulting and miscellaneous savings. These savings are offset by increased costs in the Information Technology Transformation subprogram.
4. The increased costs relate to IT projects.
5. The decreased costs are related to project costs that are reflected in the Information Technology Transformation subprogram.
6. The increased costs in major capital asset acquisition is due to leasehold improvements for the ITO's 2 Research Drive, Regina office location.
7. Same as #6.

2009-10 Financial Overview

Net Zero IT Operations

Under its mandate to provide IT services to executive government ministries and agencies the ITO charges its customers for services on a cost-recovery, break-even basis. The ITO does not receive any funding in its core budget to provide those services. The following table outlines the cost-recovery financials for the IT services provided to ministries and agencies.

	(in thousands of dollars)			
Program	**2008-09 Actual**	**2009-10 Estimates[1]**	**2009-10 Actual**	**2009-10 Variance**
Inter-ministerial Services	(19)	0	5,144	5,144[1]

1. The ITO expected to recover from customers $53.719M but only recovered $48.605M in core revenues, primarily related to higher than expected costs for software licenses, uncollected (disputed) revenues and Oracle Real Application Clusters (the ITO was not able to roll this out to ministries and was forced to absorb these costs). Measures will be taken in the 2010-11 fiscal year to alleviate the problem.

For More Information

If you have any questions or comments, or would like additional copies of the 2009-10 Annual Report, we invite you to call (306)787-8880 or contact:

Information Technology Office
Corporate Services Branch
8th Floor, 2101 Scarth Street
Regina, Saskatchewan
S4P 2H9

Or send us an e-mail through the Information Technology Office (ITO) website at **www.ito.gov.sk.ca.**

ITO Acts and Regulations

The Minister Responsible for Information Technology Office is responsible for the following acts and regulations:

- *The Economic and Co-operative Development Act, 2006*, Sections 8(c) and 9(1)(h)
- *The Information Technology Office Regulations, 2007*
- *The Canadian Information Processing Society of Saskatchewan Act, 2005*

Appendix A: ITO Service Delivery Customers

As the major supplier of IT services to executive government, the ITO supplies a full-spectrum of services to 26 executive government ministries and agencies.

Ministries (19)

Advanced Education, Employment and Labour

Agriculture

Corrections, Public Safety and Policing

Education

Energy and Resources

Environment

Executive Council

Finance

First Nations and Métis Relations

Government Services

Highways and Infrastructure

Information Technology Office

Intergovernmental Affairs

Justice and Attorney General

Municipal Affairs

Office of the Provincial Secretary

Public Service Commission (PSC)

Social Services

Tourism, Parks, Culture and Sport

Agencies (7)

Saskatchewan Grain Car Corporation

Saskatchewan Municipal Board

Saskatchewan Housing Corporation

Saskatchewan Apprenticeship and Trade Certification Commission

Saskatchewan Legal Aid Commission

Public Guardian and Trustee of Saskatchewan

Enterprise Saskatchewan

Appendix B: ITO Service Offerings

The nine areas of IT service offerings contained in the ITO Service Catalogue that the ITO provides to its internal government customers are:

- **The Managed Desktop Service Offering** provides personal computers and related support and maintenance. Standard options include standard laptops, standard desktops, power user desktops, power user laptops, rugged laptops, extra monitors and docking stations.
- **The Printing and Imaging Service Offering** provides hardware and support for printing and imaging. Standard options include personal printers, personal colour printers, workgroup printers, workgroup colour printers, scanners, plotters and multi-function devices.
- **The Software and Applications Service Offering** provides hosting, support, and maintenance for applications. Standard options include both in-house custom applications and commercial off-the-shelf software.
- **The E-mail and Messaging Service Offering** provides hardware, software, and support for e-mail. Standard options include e-mail account, incremental mailbox space, and BlackBerry® support.
- **The Data Communications Service Offering** provides network connectivity through a wide area network (WAN). Standard options include different types and speeds of communication technology such as satellite and CommunityNet. CommunityNet is the government's public sector broadband network that is available for use by provincial government offices, educational facilities, health facilities and libraries throughout the province.
- **The Storage Service Offering** provides electronic storage. Standard options include personal document storage, group drive storage, mail archive storage and application drive storage.
- **The Enterprise Instant Message and Unified Meeting Service Offering** provides the infrastructure, hardware, software, and management of instant messaging and meeting services.
- **The Security Service Offering** provides work that is specifically related to security services. All options under this service offering are custom-priced.
- **The Advanced Business Technology Service Offering** provides technology solutions to solve unique business problems. Examples include business solutions and application development work. All options under this service offering are custom-priced.

Appendix C: ITO Organizational Chart